

PROJECT HIGHLIGHT REPORT

Report No: 1

Project: Charging Efficiency Project

Author: Brian Fullam

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Reporting Period: 6 December 2003 to 14 January 2003

Project Status:

Productivity: The project team is continuing to collect data about frontline processes and overheads. We have now mapped:

- COMAH chargeable processes
- Offshore chargeable processes
- Railways chargeable processes
- Charging administration processes

Mapping the equivalent NSD processes has been delayed by NSD questioning the extent of their involvement. This should be resolved in the next week allowing work to start.

The next stage is to brainstorm improvements in each of the processes and to quantify any savings arising. Meetings of the process mapping groups have been arranged in February to do this.

Meetings with other project managers have been held or arranged in order to co-ordinate efforts in common areas of interest, in particular work conducted in the COIN and Prosecution Improvement Projects which may impact or overlap with that of Charging Efficiency.

Overheads: A review by Business Services Division (BSD) of accommodation in Lord Cullen House, Aberdeen has started. The conclusions should be available by the end of February. In addition, we are collecting data on the costs and benefits of homeworking, building on earlier studies undertaken by PD and FOD. Contact has been made with the Planning Inspectorate who operate using homebased inspectors and SEOs. They have provided significant information and have invited discussions at their offices should further information be required. They are also willing to discuss their charging regime and associated costs.

Discussions have been held with Personnel Division regarding the legal constraints on the relocation of staff. It would appear that this is possible under employment law but only if there is a strong business case. What constitutes such a case will be explored further.

We are exploring ways of reducing training costs, especially for inspectors; and are also looking at ways of reducing the time it takes for inspectors to become competent to undertake chargeable work. This is a particular issue for the COMAH regime where it may take 36+ months for a newly recruited regulatory inspector to be deemed sufficiently competent to do chargeable work.

The project to review HSE's corporate functions is now underway with the appointment of Stephen Williams as project manager. An early meeting has been arranged to discuss the interface between the two projects.

External Comparators: Meetings have been arranged with the Scottish Environmental Protection Agency (SEPA) and the Food Standards Agency (FSA). The meeting with SEPA is to explore some of the findings from the Deloitte & Touche study, which suggested SEPA were more efficient. FSA has been chosen as an external comparator because they are a new organisation with a reputation for efficiency. They charge for some of their work. We have been unable to obtain further information from the Marine and Coastguard Agency (MCA), who were also a D&T comparator. and with the two consultancies that acted as the private sector comparators. Neither was willing to release more detailed information or discuss the data provided to D&T. The offer from the Planning Inspectorate to provide information on their charging regime may be accepted if analysis of another comparator is deemed to be beneficial)

Project Risks:

The greatest risk to the project is the very limited resource available. It will be difficult to meet the deadline of the end March, should Julie Pascoe or I not be available to carry the work forward for more than a few days that deadline would be unattainable.

The absence of dependable quantified data with which to determine the savings from alternative approaches remains a substantial risk. Where possible best estimates will be used along with sensitivity testing.

The delays in gaining the agreement of NSD to participate fully in the identification evaluation of possible productivity improvements are such that there may not be enough time to carry out the necessary work.